Discussion on the waiver of the provisions of the Charter to ensure that the City does not lose Federal funding for the Rail Project Early Testimony



IIUNA

TESTIMONY OF RYAN K. KOBAYASHI GOVERNMENT AND COMMUNITY RELATIONS DIRECTOR HAWAII LABORERS UNION (LIUNA) LOCAL 368

LEGISLATIVE MATTERS COMMITTEE MEETING

NOTICE OF HEARING

DATE: Tuesday, October 30, 2018

TIME: 9:00 A.M.

PLACE: Committee Meeting Room

PETER A. GANABAN Business Manager/ Secretary-Treasurer

ALFONSO OLIVER
President

JOBY NORTH II Vice President

TONI FIGUEROA Recording Secretary

JAMES DRUMGOLD JR. Executive Board

ORLANDO PAESTE

JOSEPH YAW
Executive Board

MARTIN ARANAYDO

RUSSELL NAPIHA'A Auditor

MARK TRAVALINO

ALFRED HUFANA JR. Sergeant-At-Arms TESTIMONY ON AGENDA ITEMS 1, 2, 3, 4, 5, 6. BILL 42 (2017) CD1 FUNDING FOR TRANSIT; RESOLUTION 18-127 GENERAL OBLIGATION BONDS; RESOLUTION 18-132 GENERAL OBLIGATION BONDS; PROPOSED CD1 TO RESOLUTION 18-237; RESOLUTION 18-239 - 2018 GENERAL RECOVERY PLAN; PROPOSED CD1 TO RESOLUTION 18-239; AND DISCUSSION ITEM THE WAIVER OF THE PROVISIONS OF THE CHARTER TO ENSURE THAT THE CITY DOES NOT LOSE FEDERAL FUNDING FOR THE RAIL PROJECT

ALOHA COUNCIL CHAIR MARTIN AND COUNCILMEMBERS,

My name is Ryan K. Kobayashi, Government and Community Relations Director for the Hawaii Laborers Union Local 368. The Hawaii Laborers Union (LiUNA), Local 368 is made up of over 5000 working and retired members across the State of Hawaii and we **support** Bill 42 (2017) and any Resolution Items or Discussion Items that would ensure that the City and HART does not lose Federal funding for the Honolulu Rail Transit project. We also **respectfully request the Council's support** of Bill 42 (2017) and any Resolution Items and/or Discussion Items listed above that would ensure that the City and HART does not lose Federal Funding for the Honolulu Rail Transit project.

We are at a point with Honolulu Rail Project where the Federal Transit Authority (FTA) is requiring the City to take steps to fully commit \$44 million identified in HART's previous financial plan. Presently, the FTA is withholding \$745 million of the funds dedicated to the project. If the City does not act quickly to satisfy the Federal Government we may not only lose this \$745 million, but be required to pay back the monies already released to this project.

Losing the Federal monies dedicated to this project could result in shutting down the project, the impacts of which would be widespread affecting not only to the construction industry, but also the island-wide and statewide economies. Stopping the rail project now could result in "tear down" costs, disposal costs, and lawsuits stemming from the numerous contracts that the City and HART have entered into to construct this project.

LiUNA Local 368 1617 Palama Street Honolulu, HI 96817 Prione: (808) 841-5877 Fax: (808) 847-7829 www.local368.org



A poll taken on September 5, 2017, shows that an average of 71% of the people polled across all Council Districts on O'ahu want to see the Rail project completed to Ala Moana. This shows that members of the public either know of the potential negative impacts on the City if the project is stopped, or at the very least recognize that we have come too far to stop the project at this point.

Rail construction is at a critical juncture, Management and administrative functions are vital to the success of the project and we need to finish the job. Therefore, the Hawaii Laborers' Union (LIUNA), Local 368 and its more than 5000 members <u>support</u> the passage of Bill 42 (2017) and any of the above resolution or discussion items that would ensure that the City does not lose Federal funding for the Honolulu Rail project, and <u>we respectfully request that members of this Council support Bill 42 (2017) as well.</u>

Sincerely,

Ryan K Kobayashi

Government and Community Relations Director

Hawaii Laborers' Union, Local 368